

ROLE OF MICROFINANCE & SELF HELP GROUPS IN THE EMPOWERMENT OF WOMEN AT KANPUR DEHAT U.P.

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Abstract

Development of a country is not only related with the high quality of infra structure new innovation & technology but it is related with its each and every citizen & what they have to live good life .A country is said to be developed if all its citizens are involve in to the process of development & living good standard of life by having access to basic amenities of life such as food clothing housing ,health clean water ,sanitation ,education employment & good natural & social environment but if people of country are poor they will not involve in to the progress of nation they will only think about the earning of their livelihood. India is a developing country in which about 30% of its total population still lives below poverty line the poor population is mainly concentrated in the rural area. It was also recognized that majority of women are poor they are struggling for their livelihood & they are less participative in poverty alleviating process due to the ignorance of women in all the programmes of poverty alleviation. It was obvious that the poverty alleviation efforts will not be successful & the development would not be perfect without giving opportunity to this section to improve their condition. As a result, the developing countries including India prioritised the combined goal of poverty alleviation and women empowerment among their development plans. Microfinance & SHGs are the most exciting discovery into this way. This paper is devoted to analyze the impact of microfinance & SHGs on women empowerment

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Introduction

Indian economy is facing various important problems at present are high level of unemployment & under employment increasing level of inequalities, increasing poverty & dispossessions. "Self realisation and self initiative are the two most powerful weapons to wash poverty out from the world map". This dynamic quotation of world's greatest economist Chanakya is being translated to one word that is SHG. It is proverbially true that there is a great strength in unity. Once a group of people unite, they become strength to reckon with. They gain strength from each other for development or when it comes to fighting together. Micro finance through Self Help Group (SHG) has become a ladder for the poor to bring them up not only economically but also socially, mentally and attitudinally (Rimjhim Mousumy Das, 2000). Self Help Group approach in the recent years has been rightly recognised as the best way of socio-economic empowerment of people living below poverty line in India and elsewhere.

The concept of Self Help Groups (SHGs) is the most exciting discovery in the context of micro finance. The Indian micro finance scene is dominated by SHGs and their linkage with banks. Owing to the importance of micro finance and self help groups in the eradication of poverty and in the empowerment of women, this paper is devoted to analyse the role of both in women empowerment.

The Concept of Micro Finance

Micro finance is a concept that is helping the poor to avail of and create opportunities for economic growth. In India micro finance has fuelled the efforts of rural development. women empowerment and wealth generation by providing small-scale savings, credit, insurance and other financial services to poor and low-income households. Micro finance than serves as a means to empower the poor and provides a valuable tool to help the economic development process. The concept of micro financing and self-employment activities in rural areas has developed considerably over the last two decades. It is working neither on donation/charity nor on subsidy. It is basically rotational investment done to motivate the poor to empower themselves and practice the dictum 'save for the future and use those resources during the time of need.' Theoretically micro finance also known as micro credit or micro lending means making provisions for smaller working capital loans to the self-employed or self-employment seeking

poor. Micro credit has been defined as the extension of small loans to be given in multiple doses based on the absorption capacity of the needy beneficiaries, who are too poor to qualify for formal bank loans, as they have no assets to offer as collateral security against loans (tripathy, '2006)

The Concept of Self -Help Groups

A self help group is defined as a "self governed, peer controlled informal group of people with similar socio economic background and having a desire to collectively perform common purpose". Self Help Groups have been able to mobilize small savings either on weekly or monthly basis from persons who were not expected to have any savings. They have been able to effectively recycle the resources generated among the members for meeting the productive and emergent credit needs of members of the group.

Features of Self Help Groups are:

- i. SHGs are well accepted and established by government or NGOs. They can open accounts in bank in its own name, receive government grants and funds for various expansion activities.
- ii. They perform various activities as social intermediaries and often involved in numerous social activities.
- iii. They keep their own books of accounts.
- iv. It is a structured body including elected, Group President, Secretary and Treasurer.
- v. They have self-governing body.
- vi. SHGs activate small saving and rotate it in group.

Objective of study

1. To analyse the impact of micro finance & SHGs on social empowerment of women in Kanpur dehat U.P
2. To analyse the impact of micro finance & SHGs on economical empowerment of women in Kanpur dehat U.P
3. To assess the overall impact of SHGs on members of SHGs after joining group.

Methodology

Present work is pragmatic in character. Primary data of 50 beneficiaries & 50 non beneficiaries were gathered by field survey. The questionnaires comprise questions related to the relevant issues, like social empowerment, economical empowerment & change in socioeconomic condition of members after joining the group etc. were filled by the selected SHGs members & non members.

Result & Discussion

Social Empowerment

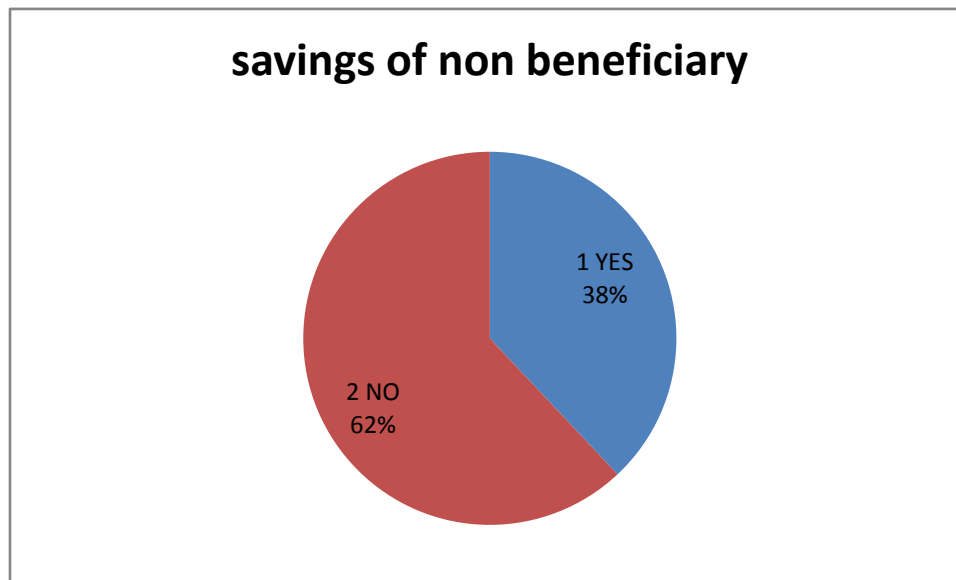
	social indicators	B			NB		
		L	M	H	L	M	H
1	Mobility	0	9(18%)	41(82%)	45(90%)	3(6%)	2(4%)
2	Recognition in the family	0	8(16%)	42(84%)	43(86%)	4(8%)	3(6%)
3	Recognition in the community	0	8(16%)	42(84%)	42(84%)	7(14%)	1(2%)
4	Interaction with the outsiders	0	9(18%)	41(82%)	43(86%)	3(6%)	1(2%)
5	Health awareness	0	10(20%)	40(80%)	46(92%)	4(8%)	0
6	Awareness about the government schemes related with health	0	9(18%)	41(82%)	46(92%)	4(8%)	0
7	Access to health services	1(2%)	9(18%)	40(80%)	46(92%)	4(8%)	0
8	Family planning awareness	1(2%)	11(22%)	38(76%)	45(90%)	3(6%)	2(4%)
9	Girl child development awareness	0	9(18%)	41(82%)	45(90%)	4(8%)	1(2%)
10	Attitude towards women freedom	0	8(16%)	42(84%)	45(90%)	4(8%)	1(2%)
11	Attitude towards girls education	0	9(18%)	41(82%)	45(90%)	4(8%)	1(2%)
12	Men Helping Women in Household works	0	8(16%)	42(84%)	45(90%)	5(10%)	0

Source :-survey conducted in Kanpur dehat(Block Maitha)

According to the data collected from Kanpur dehat with the help of given social indicators of empowerment in the above table, 82% of beneficiaries admitted high mobility ,high interaction with outsiders ,high Awareness about the government schemes related with health, high attitude towards girls education & development,84% of beneficiaries admitted high recognition in family

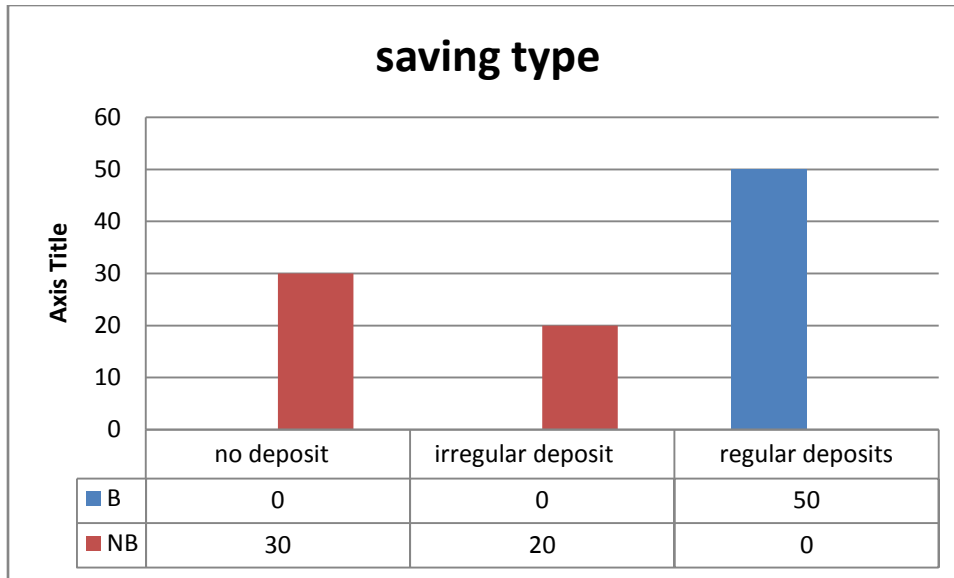
& community, high attitude towards women freedom & 84% of women admitted that now men helping them in their household works in comparison to the non beneficiary (NB) women who admitted low degree of availability of all the indicators.

	SAVING	B	NB
1	YES	50(100%)	19(38%)
2	NO	0	31(62%)



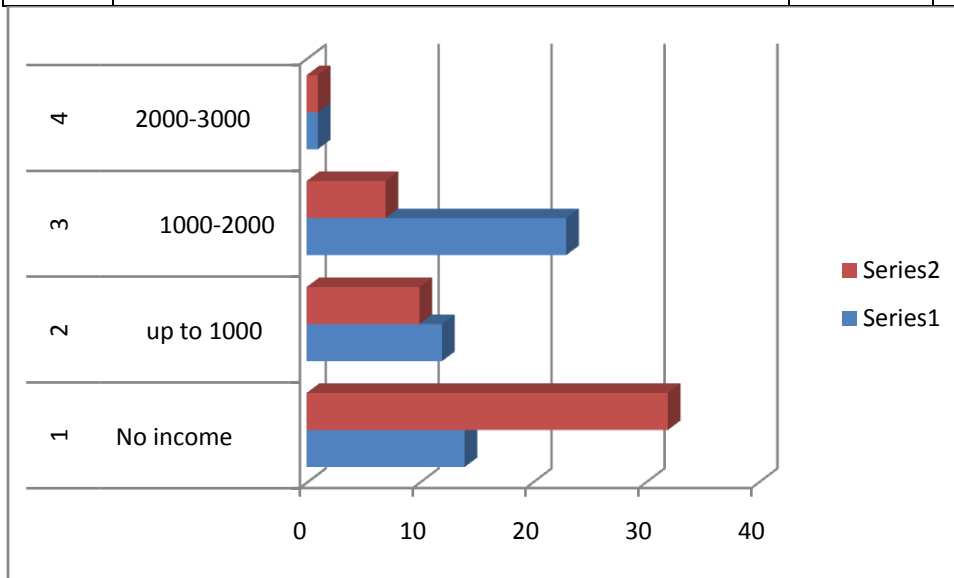
SHGs is the concept which introduce to promote the habit of savings among the poor individuals. all the members of the group have to submit certain amount of money in their group every month. that is why 100% of beneficiaries admitting habit of savings in comparison to the non beneficiaries in which only 38% of admitting habit of saving & 62% of women are not saving anything.

	Savings type	B	NB
1	no deposit	0	30
2	irregular deposit	0	20
3	regular deposits	50	0



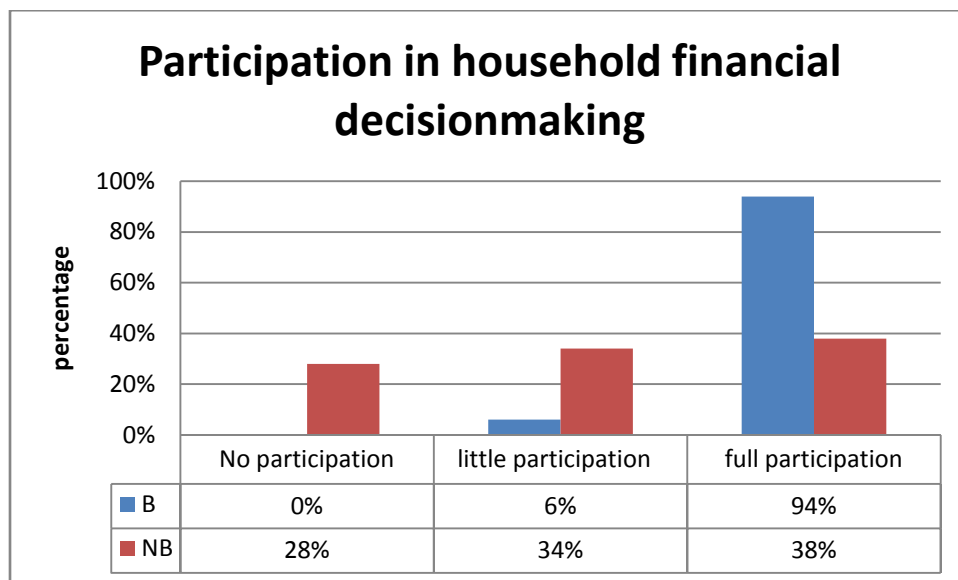
All the beneficiaries admitted regular type of savings because they have to submit certain amount of money on every month in comparison to the non beneficiaries in which 60% of women are admitted no savings & 40% of women admitted irregular type of savings & no one is saving regularly

	Contribution in family income per month	B	NB	B	NB
1	No income	14	32	28%	64%
2	up to 1000	12	10	24%	20%
3	1000-2000	23	7	46%	14%
4	2000-3000	1	1	2%	2%



Above table shows that 28% of beneficiaries & 64% of non beneficiaries are contributing nothing in their family income while 24% of beneficiaries & 20% of non beneficiaries are contributing up to 1000 Rs in their family income. 46% of beneficiaries & only 14% of non beneficiaries are contributing from 1000 Rs to 2000Rs in their family income & only 2% of beneficiaries & non beneficiaries are contributing Rs 2000 to 3000 in their family income. The above data shows that more of beneficiary women contributing in their family income in comparison to the non beneficiary women. This is due to the different economic activities like animal husbandry, small business or working in aganbadi etc. They are performing with the help of NGOs & SHGs.

	Participation in household financial decision making	B	NB	B	NB
1	No participation	0	14	0%	28%
2	little participation	3	17	6%	34%
3	full participation	47	19	94%	38%



Beneficiary women are now more financially strong, they are having savings in hand, contributing in family income, & they can take lone on their behalf to help the family at the time

of contingencies. All these reasons have increased her participation in household financial decision making. 94% of beneficiary women admitted full participation & 6% admitted little participation in household financial decision making comparison to the non beneficiary women who admitted 28% of no participation 34% of little participation & 38% of full participation in household financial decision making.

Impact Of Shgs/ Microfinance On Upliftment

	INDICATORS	DECREASE	SAME	INCREASE
1	Freely and frankly speaking in SHG meetings	0	5(10%)	45(90%)
2	Presenting cultural programs in public meetings	0	9(18%)	41(82%)
3	Taking up leadership positions in the SHG	0	8(16%)	42(84%)
4	Writing minutes of SHG meetings	0	38(76%)	12(24%)
5	Keeping of the accounts of SHG	0	38(76%)	12(24%)
6	Performing bank transactions	0	31(62%)	19(38%)
7	Going to government office / police station	0	5(10%)	45(90%)
8	Talking to government officials / police	0	4(8%)	46(92%)
9	Literacy/ education	0	8(16%)	42(84%)
10	Access to credit sources	0	0	50(100%)
11	Family Income	0	8(16%)	42(84%)
12	Skills	0	10(20%)	40(80%)
13	Voicing your concern	0	8(16%)	42(84%)
14	Decision making related to child centered	0	8(16%)	42(84%)
15	Decision making related to money centered	0	7(14%)	43(86%)
16	Participation in Development Programmes	0	10(20%)	40(80%)
17	Individual Income	0	8(16%)	42(84%)

Above table shows the overall impact of SHGs on upliftment of women. Only three indicators - writing minutes of SHG meetings, keeping of the accounts of SHG, performing bank transactions, shows no growth. Except these three indicators 80 to 100% women admitted increase in all other indicators. This shows that status of women has uplifted after joining SHGs

Conclusion:-

Self Help Groups have become a powerful instrument in providing access of banking services to poor and also in mobilizing their small savings. Many studies highlight that SHGs have been successful in inculcating saving habits among the poor, enabling the rural households to take up larger productive activities, empowering the poor women and in reducing their dependence on exploitative local moneylenders due to this the social status of rural women has also been increased. Now they are recognizing in their family & community for their work & their participation in family decision making is also increased. The program of micro financing through SHGs with the intervention of NGOs and the support from the government has shown many positive impacts on rural poor women which leads to their empowerment

Micro finance, the development buzzword of the nineties, is an important tool for poverty alleviation and women empowerment. The SHGs have proved beyond doubt that they are the fastest growing and the most cost effective micro financial initiatives in the world. The self-help groups (SHGs) are the latest breed of the micro finance industries in India. In India, efforts are made to promote micro finance in a sustainable manner. An important vehicle for this has been the SHG program and its linkage with banks. In spite of different problems micro finance and SHGs have been playing major role in the in the empowerment of women.

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